

ASSEMBLY BILL

No. 892

Introduced by Assembly Member Cogdill

February 18, 2005

An act to amend Section 22978.4 of the Business and Professions Code, relating to cigarettes and tobacco products.

LEGISLATIVE COUNSEL'S DIGEST

AB 892, as introduced, Cogdill. Cigarettes and tobacco products: sales invoices.

The California Cigarette and Tobacco Products Licensing Act of 2003 provides for the licensure, by the State Board of Equalization, of manufacturers, distributors, wholesalers, importers, and retailers of cigarette or tobacco products that are engaged in business in California and prohibits retailers, manufacturers, distributors, and wholesalers from distributing or selling those cigarette and tobacco products unless they are in compliance with those licensure requirements.

The act requires each distributor and each wholesaler to include certain information on each invoice for the sale of cigarettes or tobacco products, including a statement that all California cigarette and tobacco product taxes are included in the total amount of the invoice. The act provides that failure to comply with that requirement constitutes a misdemeanor.

This bill would instead require that the invoice include either that statement or the amount of excise taxes due to the board by the distributor on the distribution of cigarettes and tobacco products. The bill would also require that the invoice include the date the cigarettes or tobacco products are sold. By changing the definition of a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22978.4 of the Business and Professions
2 Code is amended to read:
3 22978.4. (a) Each distributor and each wholesaler shall
4 include the following information on each invoice for the sale of
5 cigarettes or tobacco products:
6 (1) The name, address, and telephone number of the
7 distributor or wholesaler.
8 (2) The license number of the distributor or the wholesaler as
9 provided by the board.
10 (3) *One of the following:*
11 (A) The following statement: “All California cigarette and
12 tobacco product taxes are included in the total amount of this
13 invoice.”
14 (B) *The amount of excise taxes due to the board by the*
15 *distributor on the distribution of cigarettes and tobacco products.*
16 (4) The name, address, and license number of the retailer,
17 distributor, or wholesaler to whom cigarettes or tobacco products
18 are sold.
19 (5) An itemized listing of the cigarettes or tobacco products
20 sold.
21 (6) *The date the cigarettes or tobacco products are sold.*
22 (b) Each invoice for the sale of cigarettes or tobacco products
23 shall be legible and readable.
24 (c) Failure to comply with the requirements of this section
25 shall be a misdemeanor subject to penalties pursuant to Section
26 22981.
27 SEC. 2. No reimbursement is required by this act pursuant to
28 Section 6 of Article XIII B of the California Constitution because
29 the only costs that may be incurred by a local agency or school

1 district will be incurred because this act creates a new crime or
2 infraction, eliminates a crime or infraction, or changes the
3 penalty for a crime or infraction, within the meaning of Section
4 17556 of the Government Code, or changes the definition of a
5 crime within the meaning of Section 6 of Article XIII B of the
6 California Constitution.

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